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October 9, 2002



BY HAND DELIVERY

James D. Boyd Presiding Member California Energy Commission 1516 Ninth Street Sacramento, CA 95814 William J. Keese Chairman California Energy Commission 1516 Ninth Street Sacramento, CA 95814

Re:

Avenal Energy Project (Docket No. 01-AFC-20): Request for

Suspension to May 1, 2003

Dear Commissioners:

I am writing on behalf of Duke Energy Avenal, LLC ("Duke Avenal") to request that the California Energy Commission (the "Commission") suspend further review of the Avenal Energy Project (the "Project") to May 1, 2003. By way of background, the Commission found the Application for Certification for the Project data adequate on December 19, 2001. Commission Staff released the Preliminary Staff Assessment on September 9, 2002. Commission Staff has requested dates to schedule workshops on the Preliminary Staff Assessment and additional information to complete the Final Staff Assessment.

Due to the changing power market in California, there is no longer a sense of urgency to complete the licensing of the Project in late 2002 or early 2003. Furthermore, in accordance with the Preliminary Staff Assessment, Pacific Gas and Electric Company ("PG&E") has not yet completed the Supplemental System Impact Study for the Project, designating an interconnection from the Project to, in all probability, the Gates Substation. Because initial contacts with PG&E supported a very short interconnection between the Project and PG&E's transmission line, this extended interconnection has not been evaluated for environmental impacts. PG&E anticipates completing the study in December of this year or January of next year. This study and an analysis of the potential environmental impacts due to an extended interconnection or any other transmission upgrades would be needed for Commission Staff to complete the Final Staff Assessment.

Therefore, out of respect for the Commission's and its Staff's time, Duke Avenal is requesting that the Commission suspend any further review of the Project to May 1, 2003. This suspension will also allow Duke Avenal and PG&E to complete the Supplemental System Impact Study and begin any additional environmental analysis flowing from the study results. In addition, Duke Avenal has requested the San Joaquin Valley Air Pollution Control District to proceed with response to comments and issuance of the Final Determination of Compliance ("FDOC").

Due to the short time period of this requested suspension, Duke Avenal does not anticipate that any of the environmental analysis previously submitted in this proceeding will need to be repeated or redone at the expiration of the suspension. Duke Avenal will inform the Commission upon receipt of the FDOC and the Supplemental System Impact Study. Duke Avenal looks forward to working with the Commission and its Staff to complete the review of this Project.

Very truly yours,

DOWNEY, BRAND, SEYMOUR & ROHWER LLP

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Jane E. Luckhardt

cc: Gary Fay, Hearing Officer

Lance Shaw, Project Manager Lisa DeCarlo, Staff Counsel

Docket (12 copies)

Service List (01-AFC-20)

STATE OF CALIFORNIA

Energy Resources Conservation and Development Commission

In the Matter of:)	Docket No. 01-AFC-20
Application for Certification for the AVENAL ENERGY PROJECT)	PROOF OF SERVICE
)	

I, Jodi Wright, declare that on October 9, 2002, I deposited copies of the attached Letter to James Boyd, Presiding Member, and William Keese, Chairman, at the California Energy Commission dated October 9, 2002, in the United States mail at Sacramento, California, with first class postage thereon fully prepaid and addressed to the following:

CALIFORNIA ENERGY COMMISSION (original plus 12) DOCKET UNIT, MS-4

Attn: Docket No. 01-AFC-20 1516 Ninth Street Sacramento, CA 95814-5512 E-mail:docket@energy.state.ca.us

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Courtesy Copy:

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I declare under penalty of perjury that the foregoing is true and correct.